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INTEREXCHANGE PROCEEDINGS REGARDING RATE INTEGRATION. COMMENTS HAVE BEEN FILED BY SPRINT, MCI, IT&E, CNMI, GTE, PCI AND PUC. THE ISSUES DISCUSSED AS A WORKING GROUP ON HOW TO IMPLEMENT RATE INTEGRATION WILL BE PRESENTED TO THE FCC.

**VI. REVIEW SCHEDULE**

MR. KELLEY RECOMMENDED THAT THE WORKING GROUP MEET AT 9:00 A.M. ON JUNE 11-12, 1996.

**VII. REVIEW PRINCIPLES AND PROCEDURES**

MR. KELLEY STATED THE PRINCIPLES AND PROCEDURES WILL CONTINUE TO REPRESENT A FORMAL CONSENSUS OF THE WORKING GROUP. THE CONSENSUS WILL BE FILED WITH THE FCC AS A REPORT OF THE MEETING AND THE RECOMMENDATION OF THE WORKING GROUP IN ACCORDANCE WITH THE RATE INTEGRATION PRINCIPLES AND PROCEDURES, WILL ALSO BE FILED.

MR. KELLEY ASKED IF THERE WERE ANY QUESTIONS OR COMMENTS ON THE PRINCIPLES AND PROCEDURES. HE ASKED IF THE WORKING GROUP MEMBERS HAVE A COPY OF THE FIFTEEN (15) ISSUES LISTED IN THE JUNE 3, 1996 RATE INTEGRATION WORKING GROUP MINUTES.

MR. KELLEY STATED THAT HE WOULD LIKE TO OPEN THE FLOOR FOR DISCUSSION ON THE FIFTEEN (15) ISSUES:

**ISSUE NO. 1 - MILEAGE BANDS**

**ORIGINATOR'S IDENTITY: MR. JOHN BORLAS, PRESIDENT, IT&E**

ISSUANCE STATEMENT: HOW WILL RATE INTEGRATION AFFECT THE EXISTING MILEAGE BANDS AND THE APPLICABLE RATES? WILL RATE INTEGRATION REQUIRE THE INCORPORATION OF GUAM AND THE CNMI INTO THE EXISTING MILEAGE BANDS OR MERELY THE ADDITION OF NEW MILEAGE BANDS? IF NEW MILEAGE BANDS MAY BE ADDED, WHAT WILL THE APPLICABLE RATES BE? MUST THE RATE INCREASE BE PROPORTIONATE TO THE INCREASE IN DISTANCE? HOW WILL POSTALIZED (OR FLAT) RATES BE AFFECTED BY RATE INTEGRATION.

ATTY. TORRES ASKED MR. KELLEY IF THERE WAS RESPONSE ON THE EXISTING MILEAGE BANDS.

MR. KELLEY STATED THAT HE HAS THE FILING FOR AT&T AND WOULD PROVIDE THE WORKING GROUP WITH A COPY.

MS. AHERN ASKED IF IT WAS FROM THE TARIFF OR FROM COMMON CARRIER STATISTICS.

MR. KELLEY RESPONDED THAT IT WAS FROM AT&T'S TARIFF.

MR. KELLEY ASKED EACH CARRIER WHO HAS A DOMESTIC TARIFF IN THE U.S WITH MILEAGE BANDS TO BRING IN A COPY FOR THE MEETING FOR

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DISCUSSION. HE STATED THAT HE WOULD LIKE TO TAKE A LOOK AT MCI, SPRINT AND AT&T'S CURRENT MILEAGE BANDS STRUCTURE. HE ASKED IF THE WORKING GROUP WOULD DISCUSS ISSUE NO. 2 PENDING THE AVAILABILITY OF COPIES OF THE CURRENT MILEAGE BANDS AND RIGHTS.

**ISSUE NO. 2 - COMSAT DESIGNATION**  
**ORIGINATOR'S IDENTITY: MR. JOHN BORLAS, PRESIDENT, IT&E**

ISSUANCE STATEMENT: THE GOVERNOR OF GUAM HAS PROPOSED THAT COMSAT BE DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER, WHICH WILL BE REQUIRED TO OFFER SERVICES AT AFFORDABLE RATES. SHOULD IMPLEMENTATION OF RATE INTEGRATION BE MADE CONTINGENT ON THE FCC'S ACCEPTANCE AND IMPLEMENTATION OF SUCH A PROPOSAL? GIVEN THE GOVERNOR'S RECOGNITION OF THE HIGH COST OF SATELLITE SERVICE TO THE WESTERN PACIFIC REGION, IF THE FCC DOES NOT ACCEPT THE GOVERNOR'S PROPOSAL, HOW WILL INTEGRATED RATES BE SUBSIDIZED?

ATTY. TORRES ASKED IF COMSAT WAS ATTENDING THE WORKING GROUP MEETING.

MR. KELLEY RESPONDED THAT COMSAT WAS INVITED BUT DOES NOT KNOW IF THEY PLAN ON ATTENDING. HE STATED THAT HE HAS NOT HEARD ANY COMMENTS FROM THEM SUPPORTING OR OPPOSING THE DESIGNATION OF AN ELIGIBLE TELECOMMUNICATIONS CARRIER.

MR. KELLEY STATED THAT THE ISSUE FOR THE WORKING GROUP'S REVIEW. HE STATED THAT UNDER THE TELECOMMUNICATIONS ACT, A CARRIER CAN BE DESIGNATED TO PROVIDE SERVICE THAT ARE NOT BEING PROVIDED TO AN AREA AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER. AT PRESENT, GUAM DOES NOT HAVE DOMESTIC SATELLITE SERVICE. THE ONLY SATELLITE SERVICE THAT WORKS BETWEEN GUAM AND THE MAINLAND U.S. IS THE INTELSAT SYSTEM. THERE ARE A COUPLE OF PRIVATE SATELLITE SYSTEMS PROPOSED.

MR. KELLEY STATED THAT COMSAT IN THE 254(G) FILING STATED THAT THEY DID NOT THINK THERE WERE COVERED BECAUSE THEY PROVIDED NO DOMESTIC SERVICE. THE GUAM GOVERNOR'S OFFICE AND GTA DISAGREED WITH THAT STATING THAT SERVICE BETWEEN THE U.S. MAINLAND AND GUAM WAS A DOMESTIC SERVICE BY DEFINITION OF WHAT THE FCC HAS DEFINED AS DOMESTIC SO, THEREFORE, THEY ARE PROVIDING DOMESTIC SERVICE.

MR. KELLEY PROPOSED THAT THE WORKING GROUP CONSIDER COMSAT TO BE DESIGNATED AS AN ELIGIBLE CARRIER TO PROVIDE SATELLITE SERVICES AT A DOMESTIC RATE. ANY ADDITIONAL FUNDS THAT THEY MIGHT NEED TO MAKE UP THE COSTS BETWEEN WHAT THEIR COST BASE IS AND THE NEW DOMESTIC RATES BE MADE UP BY UNIVERSAL SERVICE FUNDING. THE TELECOMMUNICATIONS ACT ALSO STATED THAT A CARRIER DESIGNATED DOES NOT HAVE A TELECOM CARRIER ELIGIBLE FOR UNIVERSAL SERVICE FUNDS. THE TELECOMMUNICATIONS ACT ALSO STATED THAT A CARRIER THAT IS DESIGNATED IS NOT TO BE ELIGIBLE FOR UNIVERSAL FUNDS SUPPORT TO MAKE UP THEIR ADDITION COST OF THE PRICE OF THE TARIFF THAT THEY WILL BE OPERATING ON.

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MR. KELLEY ALSO STATED THAT BECAUSE OF THE SATELLITE SERVICE THAT IS BEING CARRIED ON INTEL SAT, HE FEELS THAT BY DESIGNATING COMSAT WITH THE U.S. CARRIER BE DESIGNATED ELIGIBLE CARRIER TO SUBSTITUTE FOR NOT HAVING A DOMESTIC SATELLITE SERVICE.

MR. KELLEY EXPLAINED TO THE WORKING GROUP THAT THE REASON THAT THIS ISSUE WAS FILED WAS TO PROVIDE FUNDING METHODS ON A FACILITY STATE BASIS.

ATTY. TOBEY ASKED THE WORKING GROUP VIEW ON THE PROPOSAL THAT THE ISSUE PASSED "SHOULD ANY FACILITIES PROVIDER BE PROVIDED WITH AN EXPLICIT SUBSIDY THAT WOULD ATTEMPT TO EQUALIZE OR BALANCE RELATED TO THE DISTANCE RELATED COST".

MR. KELLEY RESPONDED THAT MR. JOHN BORLAS, IT&E, SHOULD REWRITE THE ISSUE TO INCLUDE THE ABOVE.

MR. BORLAS RESPONDED IN THE AFFIRMATIVE.

MR. KELLEY ASKED THE WORKING GROUP IF THERE WERE ANY DISAGREEMENTS ABOUT BROADENING THE ISSUE.

MR. KELLEY RESPONDED THAT THIS WILL FIT WITH WHAT THE GOVERNOR'S FILING WAS. HE STATED THAT HE WILL GET A COPY OF THE GOVERNOR'S FILING ON THE ISSUE OF COMSAT TO THE WORKING GROUP.

**ISSUE NO. 3 - GEOGRAPHIC SCOPE OF RATE INTEGRATION**  
**ORIGINATOR'S IDENTITY: MR DANNY SANTOS, GENERAL MANAGER, SPRINT**

MR. KELLEY INFORMED THE WORKING GROUP THAT THERE WAS A CONSENSUS AT THE GUAM MEETING TO INCLUDE THE NORTHERN MARIANAS BUT NOT TO INCLUDE PALAU SINCE IT IS NOT PART OF THE U.S. HE MENTIONED THE OTHER ISSUE OF AMERICAN SAMOA. HE STATED THAT AMERICAN SAMOA DOES NOT HAVE COMPETITIVE LONG DISTANCE RATES.

MS. AHERN STATED THAT IT IS THE RESPONSIBILITY OF THE WORKING GROUP TO WORK ON PROPOSALS FOR RATE INTEGRATION FOR GUAM AND THE CNMI SHOULD BE INCLUDED.

ATTY. TORRES ASKED THAT ISSUE NO. 14 DISTANCE INSENSITIVE SATELLITE SERVICE PRESENTED BY IT&E BE COMBINED WITH ISSUE NO. 2 WITH THE CONDITION BEING PRECEDENT THAT THERE WILL BE AN EXPLICIT SUBSIDY.

ATTY. TOBEY ASKED THE WORKING GROUP THAT ISSUE NO. 14 AND ISSUE NO. 2 BE CONSOLIDATED AS DISCUSSED.

MR. KELLEY STATED THAT FOR ISSUE NO. 3 TO HAVE PALAU, CNMI AND GUAM AND NOT MENTION AMERICAN SAMOA EXPLICITLY AND JUST LET THE FCC TAKE CARE OF IT.

ATTY. TOBEY ASKED THE WORKING GROUP TO PREPARE A LETTER AS A WHOLE TO THE COMMISSION THAT THERE IS A RATE INTEGRATION WORKING GROUP THAT IT IS WORKING ON ALL THE ISSUES.

MR. KELLEY STATED THAT THERE IS A CONGRESSIONAL DEADLINE ON THE ORDER. THE FCC HAS SIX MONTHS AFTER THE SIGNING OF THE ACT TO ISSUE THE ORDER.

ATTY. AHERN BROUGHT TO THE WORKING GROUP'S ATTENTION THAT IN TERMS OF TIMING AND PROCEDURE, THE FCC WOULD BE HAPPY FOR THE WORKING GROUP TO DO THEIR WORK FOR THEM AND THAT THE WORKING GROUP CAN SUBMIT AS A WHOLE AND EACH OF THE PARTICIPANTS CAN SUBMIT A PROPOSALS.

ATTY. TOBEY STATED THAT IT WOULD GO ON EX PARTE PUBLIC NOTICE BUT THEN IT IS UP TO PARTIES TO RETRIEVE, RESEARCH AND MAKE COMMENTS.

**ISSUE NO. 4 - WHAT DOES THE GUAM GROUP DEFINE AS RATE INTEGRATION?**  
**ORIGINATOR'S IDENTITY: MR. DANNY SANTOS, GENERAL MANAGER, SPRINT**

MR. KELLEY STATED THAT THIS ISSUE WAS DEBATED ON GUAM AND MR. CARL THORSEN, COOPERS AND LYBRAND, MADE A PRESENTATION TO THE WORKING GROUP ON RATE INTEGRATION.

ATTY. TORRES POINTED OUT THAT AT&T DID FILE COMMENTS IN THE THREE SEPARATE RATE INTEGRATION PROCEEDINGS.

ATTY. GREG INTOCCIA SUMMARIZED MCI'S POSITION. RATE INTEGRATION NEEDS TO PROPERLY REFLECT THAT THERE IS LEGALLY COMPETITIVE PRICING ON GUAM. UNLIKE SITUATIONS, FOR INSTANCE IN ALASKA WHEN RATE INTEGRATION WAS NOT COMPETITIVE AS IT IS NOW, RATE INTEGRATION IS AN ADDITIONAL BAND DEVELOPMENTAL APPROACH. IT IS CONSISTENT WITH COMMISSION POLICY THAT RECOGNIZES DISTANCE SENSITIVE PRICING NOT OPERATING IN AN ENVIRONMENT WHICH IS NEARLY SATELLITE BASED. HE ALSO STATED THAT RATE INTEGRATION MUST RECOGNIZE AND BE SENSITIVE THAT ULTIMATELY IT WOULD HAVE A COMPETITIVE IMPACT AND IN PARTICULAR SMALLER CARRIERS ARE GOING TO BE ESPECIALLY IMPACTED IN THAT AREA.

MR. KELLEY STATED THAT THREE ISSUES ARE REASONABLE PRINCIPLES TO APPLY REGARDING MILEAGE BANDS. HE ALSO STATED THAT THESE ARE THE AREAS UNDER THE FCC REVIEW:

- 1) THEY SHOULD EXIST IN AND OUT OF GUAM;

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2) BETWEEN HAWAII AND GUAM IS ABOUT THE SAME DISTANCE FROM HAWAII TO DALLAS. HE STATED THAT A CALL BETWEEN HAWAII AND DALLAS AND HAWAII AND GUAM SHOULD BE THE SAME PRICE.

3) HE STATED THAT THE POSTALIZED OR DISTANCE INSENSITIVE RATES THAT APPLY ANYWHERE IN THE U.S. SHOULD INCLUDE GUAM AND CNMI.

MR. KELLEY STATED THAT THESE ARE THE ISSUES UNDER THE FEDERAL COMMUNICATIONS COMMISSION BANDS. HE ALSO STATED THAT THERE MAY NEED TO BE AN ADDITIONAL BANDS.

MR. KELLEY ASKED IF THERE WERE ANY OTHER COMMENTS.

MR. BOB LLOYD, NECA ASKED IF THERE COULD BE SOME DISCUSSION ON ISSUE NO. 10 - ADMINISTRATION OF FUNDS. HE STATED THAT HE WOULD BE GLAD TO ANSWER ANY QUESTIONS. HE STATED THAT UNDER THE FCC RULES THAT NECA MAY PERFORM AND FUNCTION AUTHORIZED BY IS BOARD AND THE APPROVED BY THE FCC.

MR. KELLEY ASKED THE WORKING GROUP IF THEY HAD ANY OBJECTION TO GOING WITH NO. 10. THERE WAS NO OBJECTION FROM THE WORKING GROUP.

MR. KELLEY STATED THAT THE ISSUE IS WHERE SUPPORT FUNDS SHOULD BE GENERATED, HOW THE FUNDS SHOULD BE ADMINISTERED, AND HOW THE FUNDS SHOULD BE DISTRIBUTED? HE STATED THAT THE WORKING GROUP DECIDED TO INVITE NECA SINCE THEY ARE THE ADMINISTRATOR OF FUNDS FOR EXCHANGE SERVICES TO THE FCC.

MEETING RECESSED AT 12:00 P.M.

MEETING RECONVENED AT 1:30 P.M. BY CHAIRMAN KELLEY.

MR. KELLEY STATED THERE ARE COPIES AVAILABLE OF THE GOVERNOR OF GUAM'S REPLY COMMENTS ON UNIVERSAL SERVICE. HE STATED THAT THE WORKING GROUP IS PRIMARILY TO DISCUSS 254(G). HE STATED THAT THE WORKING GROUP CANNOT DISCUSS 254(G) WITHOUT UNDERSTANDING WHETHER IT IS DIRECTLY INTERRELATED TO UNIVERSAL SERVICE. THE PROBLEM THAT THE WORKING GROUP WILL BE DEALING WITH IS UNIVERSAL SERVICE WILL NOT BE OUT IN A PRELIMINARY REPORT PRIOR TO THE ORDER BEING OUT ON 254(G). AS LONG AS THE SEQUENCE IS KEPT, THE 254(G) AND RATE INTEGRATION ORDERS WILL BE RELEASED ON AUGUST 8, 1996. THERE WILL BE A YEAR BEFORE THE ADOPTION OF THE UNIVERSAL SERVICE SYSTEM.

MR. KELLEY STATED THAT HE WANTED THE WORKING GROUP IN DISCUSSIONS WITH GUAM TELEPHONE AUTHORITY AND GOVERNOR'S OFFICE AND THE ACCESS CHARGES THERE WAS AN UNDERSTANDING THAT GUAM WOULD ADOPT THE COST BASED TARIFFS. ONE OF THE ISSUES THAT IS CONFUSING AT THIS POINT IS WHETHER THE ACCESS RULEMAKING COMING OUT WILL MAKE CHANGES IN THE ACCESS TARIFFS. WE DON'T KNOW IF IT WOULD REMAIN ON A PER MINUTE BASIS.

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MR. KELLEY ASKED THE WORKING GROUP FOR A CONSENSUS. HE STATED THAT IF WE ARE NOT RECEIVING DOMESTIC SATELLITE RATES AND IF WE ARE A DOMESTIC AREA. SHOULD WE NOT BE ABLE TO GO TO THE COMMISSION AND DEMAND THE EQUIVALENT OF THE DOMESTIC RATE? IF THERE IS A SUBSIDY THEN THAT NEEDS TO BE PUT INTO THE UNIVERSAL SERVICE PROCEEDING.

MR. THORSEN RECOMMENDED THAT THERE NEEDS TO BE AN EXPLICIT SUBSIDY.

MR. KELLEY ASKED THE WORKING GROUP IF THEY HAD ANY MORE QUESTIONS TO MR. LLOYD FROM NECA REGARDING THE EXPLICIT SUBSIDY. HE STATED THAT THE WORKING GROUP KEEP THE GOAL OF COMPLETING AS MUCH AS POSSIBLE THE ISSUES BEING PRESENTED BY WEDNESDAY, JUNE 12, 1996. THE MEETING RECESSED AT 11:00 A.M. AND RECONVENED AT 11:15 A.M.

ISSUE NO. 5 - IF A PARTICULAR SERVICE OR GROUP OF SERVICES IS DETERMINED TO BE SUBJECT TO REQUIREMENTS OF RATE INTEGRATION. TO WHAT EXTENT MAY COST OF SERVICE (I.E. DISTANCE; TYPE FACILITIES) BE CONSIDERED IN SETTING RATES TO AND FROM THE NEW POINTS TO BE INTEGRATED? ORIGINATOR'S IDENTITY: MR. DANNY SANTOS, GENERAL MANAGER, SPRINT

MR. KELLEY STATED THAT LONG DISTANCE REGIONAL CARRIERS SHOULD BE TREATED DIFFERENTLY THAN OTHER REGIONAL CARRIERS AND NATIONAL CARRIERS SERVING GUAM. HE ASKED THE WORKING GROUP IF THEY DISAGREED WITH THAT STATEMENT.

ATTY. AHERN ASKED IF THE WORKING GROUP WANTED AN EXPLICIT SUBSIDY TO APPLY TO GUAM AND THE CNMI.

ATTY. TOBEY RESPONDED THAT THERE SHOULD BE SOME TYPE OF SUBSIDY MECHANISM. IT&E IS CONCERNED ABOUT THE REGIONAL CARRIER NOT HAVING THE INTERSTATE REVENUE INCOME TO CROSS SUBSIDIZE OR STATE SELF-SUBSIDIZE.

MR. KELLEY ASKED THE WORKING GROUP IF THERE WAS A CONSENSUS THAT ALL REGIONAL CARRIERS BE SUBSIDIZED.

MR. THORSEN STATED THAT THE EXPLICIT SUBSIDY IS THAT ALL CARRIERS HAVE MERIT TO KEEP THE OTHER CARRIERS IN THE MARKET BECAUSE OF PRICING.

ATTY. AHERN STATED THAT SHE DID NOT AGREE WITH MR. THORSEN'S STATEMENT. SHE STATED THAT THERE ARE CIRCUMSTANCES WHERE THE PRICE IS BELOW COST WHICH IS WHAT RATE AVERAGING IS ALL ABOUT.

MR. KELLEY ASKED THE WORKING GROUP IF GUAM SHOULD BE A SEPARATE ENTITY OR WHETHER GUAM AND CNMI BE LOOKED AT AS THE ENTIRE U.S.

**ISSUE NO. 6 - WHETHER AND HOW RATE INTEGRATION AND COMPETITION CAN COEXIST?**

**ORIGINATOR'S IDENTITY: MR. DANNY SANTOS, GENERAL MANAGER, SPRINT**

MR. KELLEY STATED THIS ISSUE REFERS BACK TO SECTION 254(G) OF THE TELECOMMUNICATIONS ACT QUESTION. HE ASKED THE WORKING GROUP IF THEY SUPPORT THE REGIONALLY SPECIFIC PRICING ON A PROMOTIONAL BASIS IF THEY ARE NOT OFFERED IN OTHER PLACES. HE STATED THAT THE INTERSTATE PRICING VARIES FROM ONE STATE TO ANOTHER FOR THE SAME SERVICE. HE COMMENTED THAT THE INTEREST IN SOME FEEDBACK IS THAT IF REGIONAL PRICING IS PERMITTED THROUGHOUT THE U.S., IT SHOULD APPLY TO GUAM.

MR. MADAN STATED THAT HIS UNDERSTANDING IS THAT IF REGIONAL CARRIERS ARE NOT DOMINANT NOTHING CAN BE DONE.

**ISSUE NO. 7 - SUBSCRIBER LINE CHARGE**

**ORIGINATOR'S IDENTITY: MR. TERENCE BROOKS, CHAIRMAN, PUBLIC UTILITIES COMMISSION**

MR. KELLEY ASKED THE WORKING GROUP IF THEY HAD ANY OBJECTIONS TO ELIMINATING ISSUE NO. 7. ALL PARTICIPANTS AGREED.

**ISSUE NO. 8 - THE ISSUE OF RATE INTEGRATION FOR GUAM IS LARGE THAN GUAM ITSELF**

**ORIGINATOR'S IDENTITY: MR. VICENTE M. CAMACHO, GENERAL MANAGER, GUAM TELEPHONE AUTHORITY**

MR. KELLEY ASKED THE GENERAL MANAGER OF GUAM TELEPHONE AUTHORITY HOW HE INTENDS TO IMPLEMENT A COST PROXY MODEL.

MR. THORSEN STATED THAT THE WORKING GROUP NEEDS TO MAKE A DECISION ON ISSUE NO. 8, WHETHER OR NOT THERE WOULD BE AN EXPLICIT SUBSIDY OF CARRIERS. HE RECOMMENDED THAT A COST PROXY MODEL BE USED. HE ALSO STATED THAT HE WOULD LIKE TO SELECT THE EXCHANGE TO START A BENCHMARK COST, WHICH WOULD COMPARE THE PRICES.

**ISSUE NO. 9 COMPETITION ON GUAM**

**ORIGINATOR'S IDENTITY: MR. VICENTE M. CAMACHO, GENERAL MANAGER, GUAM TELEPHONE AUTHORITY**

MR. KELLEY RECOMMENDED THAT RATE MODELS BE USED BASED UPON A CONSISTENCY AND EQUALITY ON NON-DISCRIMINATORY APPLICATION OF RATE INTEGRATION AND THE POSSIBILITY OF HAVING ANOTHER BAND.

MR. THORSEN SUGGESTED THAT HE WOULD LIKE TO HEAR ABOUT EXPLICIT SUBSIDY FROM AT&T, MCI, AND SPRINT IF RATE INTEGRATION MEANS JUST ADDING ONE MORE BAND. HE STATED THAT THE WORKING GROUP NEEDS TO HAVE MORE DISCUSSION ON THIS ISSUE.

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MR. KELLEY STATED THAT EVERY CARRIER TAKING TRAFFIC THAT TERMINATES OR ORIGINATES ON GUAM WILL SEE A PROPORTIONATE SUBSIDY REGARDLESS IF THEY ARE A REGIONAL OR NATIONAL CARRIER.

**ISSUE NO. 11 - WHAT IS RATE INTEGRATION?**

**ORIGINATOR'S IDENTITY: MR. VICENTE M. CAMACHO, GENERAL MANAGER, GUAM TELEPHONE AUTHORITY**

MR. KELLEY STATED THAT THIS ISSUE HAS BEEN DISCUSSED WITH THE GUAM GOVERNOR'S RATE INTEGRATION WORKING GROUP AND WILL NOT BE DISCUSSED AT THIS POINT.

**ISSUE NO. 12 - HOW DO WE HANDLE THE LOCALIZED LONG DISTANCE PROVIDER?**

**ORIGINATOR'S IDENTITY: MR. VICENTE M. CAMACHO, GENERAL MANAGER, GUAM TELEPHONE AUTHORITY**

**ISSUE NO. 13 - SUBSIDIZATION FOR PROVIDERS**

**ORIGINATOR'S IDENTITY: MR. VICENTE M. CAMACHO, GENERAL MANAGER, GUAM TELEPHONE AUTHORITY**

MR. KELLEY STATED THAT ISSUES NO. 12 AND 13 HAD BEEN DISCUSSED EARLIER WITH THE WORKING GROUP AND ASKED TO PROCEED TO THE NEXT ISSUE.

**ISSUE NO. 15 - TIMING OF RATE INTEGRATION**

MR. KELLEY INFORMED THE PARTICIPANTS THAT THE WORKING GROUP MEETING HELD ON GUAM AGREED ON A CONSENSUS TO HAVE THE GUAM TELEPHONE AUTHORITY BOARD OF DIRECTORS NOT SET A SPECIFIC DATE FOR THE IMPLEMENTATION OF FEATURE GROUP D UNTIL SOMETIME AFTER THE AUGUST ORDER OR RATE INTEGRATION INTEREXCHANGE SERVICES. THE WORKING GROUP AGREED WITH AN UNANIMOUS CONSENSUS.

**V. ADJOURNMENT**

THERE BEING NO FURTHER DISCUSSION, THE MEETING ADJOURNED AT 4:40 P.M.

SUBMITTED BY,

ROBERT F. KELLEY, JR.  
ADVISOR TO THE GOVERNOR  
ON TELECOMMUNICATIONS